



Successful Proposal Preparation

Writing a Proposal that will Win the Contract

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Testimonials



Quotes from Previous Attendees

“The presentation by Mike Kleine [was] especially helpful. He explained in great detail the proposal preparation process. Since the course, I have reviewed in greater detail his materials and have adjusted our proposal preparation methods for all potential clients.” President, Environmental Design Corp., Cleveland Heights, Ohio

“[My] company recently teamed with two prime contractors to submit a proposal in response to a Request for Proposal at GSFC for a large engineering support contract. The material and information presented by Michael Kleine proved invaluable for our proposal preparation effort.” President, Software Company, Greenbelt, Maryland



Purpose



- *Participants:* Become more competitive in the Federal Government/Prime Contractor Marketplace
 - ▼ Learn your role (prime, sub-KR, protégé, team member, etc.)
 - ▼ Win more jobs
 - ▼ Perform them well and profitably
- *Agencies/Primes:* Develop additional vendors with whom to do business
 - ▼ Implement Small Business (SB), Small-disadvantaged business (SDB) and Women-owned business (WOB) initiatives
 - ▼ Delight our sponsors with outstanding contractors



Objectives

- Provide basics of Source Selection Process
 - “Best-Value” process (a.k.a. “Competitive-evaluated”)
- Get the "*Big Picture*"--Ask the right questions
- Learn about *Areas of Emphasis*
 - Strategies for addressing factors and instructions in RFPs
 - Proposal Grading
 - Making the Competitive Range
 - Performing well during Oral Discussions



Workshop Outline



- Pre-RFP (Govt./Prime) Activities
- Proposal Preparation Period
 - Developing Factors
 - Instructions to Proposers
- Initial Evaluation\Scoring of Proposals
- Competitive Range Determination
- Oral Discussions (Including Best and Final Offers (BAFOs))
- Final Evaluation and Selection



Pre-RFP Govt./ Prime Contractor Activities

■ Acquisition Strategy Issues

- ▼ **Goal:** Meet *minimum* agency/prime need, on time, at a reasonable cost
- ▼ **Steps Required:**
 - Identify *Mission Need*
 - Learn about *Make-Buy* decision
 - Learn about *Govt. Marketing Research* for effort
 - Develop *SOW, Specs, Standards*
 - Develop *Evaluation Criteria/Factors*
 - Develop *Request for Proposal (RFP)*
 - Make source selection *by applying criteria to proposals*



The Players



- Source Evaluation Team
 - ▼ Contracting Officer (CO)
 - ▼ Cognizant Technical Official
 - ▼ Discipline Experts
 - ▼ Independent Evaluators
 - ▼ Program Manager (PM)

- ▼ Source Selection Official (SSO)



Agency/Prime Contractor- First Steps



- Agency Must:
 - ▼ Decide *what to buy* and find *sources*
 - ▼ Use *acquisition planning* and *market surveys* (**FAR 7.102**)
 - ▼ Develop *drawings, technical documents, specs*, etc.
 - ▼ Not use unduly restrictive specifications
- ▼ If agency requests information, respond fully and promptly
 - ▼ Market survey requests
 - ▼ Letters of interest
 - ▼ Requests for additional information



Agency/Prime Contractor- First Steps (cont.)



- Develop Source Selection Plan
 - ▼ Organization, membership and team responsibilities
 - ▼ Evaluation criteria and procedures for evaluating proposals
- Establish Source Evaluation Team
 - ▼ CO - Handles solicitations and negotiations; may also be the SSO
 - ▼ Cognizant technical official - covers technical requirements
 - ▼ CO may form teams (committees)
 - ▼ Technical, management, cost
 - ▼ Consultants (legal, financial, QA, RA, etc.)



Agency/Prime Contractor- First Steps (cont.)



- Who Are These People?
 - ▼ Qualified, experienced functional experts
 - ▼ Balance of program expertise vs. independence
 - ▼ No conflict of interest
 - ▼ Very busy and not completely familiar with the effort
- Analyze your likely evaluators
 - ▼ Cover all areas of their interest
 - ▼ Don't assume they know:
 - ▼ The nature of the effort
 - ▼ Merits of your approach
 - ▼ Your company's strong points
 - ▼ Make it easy for them to locate data in your proposal



Developing Evaluation Factors

- Purpose of Factors
 - ▼ Assess ability to meet the contract requirements
 - ▼ Determine relative merits of competing proposers
 - ▼ Developed by agency *before* RFP is issued
- Your Strategy for Addressing Factors
 - ▼ Decode to determine what evaluators are looking for
 - ▼ Don't rely solely on technical/management instructions



Developing Evaluation Factors (Cont.)



■ Why Important?

- ▼ Every RFP is different (Don't assume factors will be the same as last time)
- ▼ Excel in the *listed* factors
- ▼ You *must* have
 - ▼ Best cost/price while meeting RFP requirements
 - OR-
 - ▼ Best total package with a reasonable price (*Read the RFP*)
- ▼ Proposal must show you meet the contract requirements
- AND-
- ▼ Represents the “best value” against the RFP's priorities



Types of Evaluation Factors

- Technical
- Management
- Cost or Price
- Other Factors
 - ▼ Financial Capability
 - ▼ Past Performance
 - ▼ Socio-economic



Example 1- Technical Criterion and Factors (JPL)



■ Design Concept (*Criterion*)

- ▼ The degree to which the proposed design concept will result in the development of hardware capable of meeting the technical requirements. Factors to be considered are as follows:

- Overall Subsystem Design (*Factor 1*)

The proposed subsystem design concept should reflect subassemblies that can be readily fabricated using existing state-of-the art methods.

The subsystem design should clearly define all the interfaces of the subassemblies. The most satisfactory interface would be one where there is a minimum impact on each assembly making up the interface.



Example 1- Technical Criterion and Factors (JPL)- (cont.)



■ Design Concept (*Criterion*) (cont.)

▼ Acceptability of Existing Hardware (*Factor 2*)

- The design concept should require a minimum of new hardware development and if required, should not be difficult to develop*
- The selection of existing hardware should show a minimum of design changes necessary to adapt the existing hardware to meet the design requirements*



Example 1- Technical Criterion and Factors (JPL)- (cont.)



- Design Concept (*Criterion*) (cont.)
 - ▼ Design Concept for the High-Power, Solid-State Amplifiers as it Relates to Generating High Peak Power (*Factor 3*)
 - *The design concept for the high-power, solid-state amplifiers should evidence an understanding of the problems and potential solutions for semiconductor failure due to excessive heat and vibration*



Example 2- Technical Factor, Sub-Factor & Elements (NASA)



- 1. Mission Suitability (*Factor*)
 - This Factor consists of those associated subfactors and elements which indicate the quality of work or product offered and the ability of the offeror to actually produce what is offered within the required delivery schedule. In addition, the compatibility between your proposed technical approach and cost proposed to accomplish the work will be an important consideration in the evaluation of this factor. Proposals will be evaluated and scored numerically based upon the subfactors and elements set forth below:



Example 2- Technical Factor, Sub-Factor & Elements (NASA) (cont.)



- 1. Mission Suitability Factor (cont.)
 - (A) Excellence of Proposed Design Concept (*subfactor*)
 - (B) Understanding of Requirements (*subfactor*)

The one-meter facility (OMF) is a cryogenic system whose performance requires the integration of several engineering disciplines. The offeror will need to demonstrate an in-depth understanding of the diverse performance requirements, their implications and interrelationship, as well as the ability to derive subordinate requirements, predict performance, error budgeting, and delineate key technical issues. The following elements will be used to evaluate this subfactor:



Example 2- Technical Factor, Sub-Factor & Elements (NASA) (cont.)



- 1. Mission Suitability Factor (cont.)
 - (B) Understanding of Requirements (*subfactor*) (*cont.*)
 - (1) Overall Comprehension (*Element*)

The Offeror's technical understanding of the one-meter facility's diverse performance requirements and their implications for the design, development, test, and operation of the system will be evaluated. The performance requirements involved, as well as their interrelationships with respect to the proposed design concept, will also be evaluated.



Example 2- Technical Factor, Sub-Factor & Elements (NASA) (cont.)



- 1. Mission Suitability Factor (cont.)
 - (B) Understanding of Requirements (*subfactor*) (cont.)
 - (2) Derived Requirements and problem identification (*element*)

This element will be used to evaluate the Offeror's capability and methodology for deriving detailed design requirements and solutions to technical problems based on the SOW. Demonstration of the application of requirements flow-down and performance allocation to subsystems will be evaluated. The Offeror's understanding of key technical issues in the design, fabrication, testing, operation of the facility, and the ability to identify technology drivers, potential problem areas, and solutions will also be evaluated
 - (C) Management and Corporate Resources (*subfactor*)
 - (D) Key Personnel (*subfactor*)



Example 3- Resources Criterion and Factors (JPL)



■ Resources (*Criterion*)

- ▼ The degree to which the proposed personnel, facilities and equipment are available and suitable for the performance of the effort set forth in the Specimen Contract.

Factors to be considered:

–Availability of Personnel (*Factor 1*)

The staffing charts should show an understanding of the loading of personnel required for the program. The proposal should show that a qualified labor base is available, and the need for new hires is minimal.



Example 3- Resources Criterion and Factors (JPL) (Cont.)

■ Resources (*Criterion*) (cont.)

▼ Qualification of Personnel (*Factor 2*)

–The education and related experience of the proposed technical personnel should show they are capable of performing their assigned tasks. The technical team proposed should have participated in preparing the proposal.



Example 3- Resources Criterion and Factors (JPL) (cont.)



■ Resources (*Criterion*) (cont.)

▼ FACILITIES AND EQUIPMENT (*Factor 3*)

Test facilities should be adequate and available for performing necessary structural and thermal development and verification tests

- Test facilities should include a well-equipped lab for performing accurate VSWR and insertion loss measurement at L-band frequencies*
- Proposed facilities should meet Level 100 clean room standards and have controlled access requirements IAW NHB 5340.2, MIL-STD. 1246 and FED-STD 209.*



Example 4- Management Criterion and Factors (JPL)



■ Management Plans

- ▼ The degree to which the proposed management plans are suitable for organization, implementation and control of the program.

Factors to be considered are set forth below:



Example 4- Management Criterion and Factors (JPL)



■ Proposed Organization and Structure (*Factor 1*)

The proposed technical and management assignments should indicate a program management organization that is complete and well-defined. The organization should not be overly complex or too large for the effort.

The program management organization should integrate well into the overall company. Effective lines of authority and communication should be evident, and the various technical and management functions should effectively interact.



Example 4- Management Criterion and Factors (JPL)



■ Program Manager's Authority and Responsibility (Factor 2)

The program manager's authority should be adequate to command the resources necessary for contract performance. The PM should have full responsibility for all program elements.

The program manager should have ready access to upper management to resolve problems beyond the PM's authority and control.



Example 4- Management Criterion and Factors (JPL)



■ Implementation Plan for Conducting the Effort (Factor 3)

The breakdown of the effort into its component work items, as shown by the WBS, should logically and completely identify all major tasks and sub-tasks

The network schedule should show an orderly process from development to completion of the task. Milestones should be sufficient to clearly convey that information

The summary network schedule should identify major milestones. In addition, the major milestones should show the proposer's capability to meet the performance and delivery schedule of the specimen contract



Example 4- Management Criterion and Factors (JPL)

■ Program Control Plan (*Factor 4*)

The program control plan should consist of a well-thought-out procedure for ensuring adequate visibility and control of cost, performance and schedule

The system to be used for financial status and progress reporting should provide timely and accurate information. Regular review of the program by upper management should be included



Example 5- Cost Factor (NASA)

■ Cost Factor

- ▼ The evaluation team will evaluate the total proposed cost of this requirement to determine the realism and validity of the proposed cost for the required effort



Example 6- Related Experience Factor (NASA)



■ Relevant Experience and Past Performance (*factor*)

- ▼ This category is an evaluation of overall corporate or offeror experience, not individual or key personnel experience. Sub-factors generally consist of the following:
 - Experience in accomplishing work which is *comparable* or *related* to the effort required under this procurement.
The team will review projects presented by an offeror which reflect a comparable magnitude of effort including technical, cost, schedule and management elements or constraints similar to those expected in this requirement



Example 6- Related Experience Factor (NASA) (cont.)

- Relevant Experience and Past Performance (*factor*) (cont.)
 - *Past performance, or how well an offeror did on earlier work, can be a very significant indicator of how well the offeror can be expected to perform on this requirement. The team will review projects presented by an offeror and will evaluate characteristics such as resilience in the face of trouble, resourcefulness, management determination to see that an organization lives up to certain commitments or standards, and skill in development and utilization of key personnel*



Example 7- "Other Factors" Factor (NASA)

■ Other Factors for consideration:

▼ Other considerations evaluated by the team include:

- Financial condition and capability
- Priority placed by corporate level or company owners on the work being proposed, or importance of the business to the offeror
- Stability of labor-management relations
- Extent of proposed small business/SDB/WO business subcontracting
- Use of subcontracts in HUB zones



Developing the Ratings System

■ Weighting Systems

- ▼ Agency determines relative importance of factors and weighting method
 - *Fixed weights* (e.g., 400 points for design, 350 points for management, 150 points for fabrication and test)
 - *Variable weights* (e.g., "If technical proposals are relatively equal, cost becomes more important")
 - *Priority or tradeoff analysis* (e.g., look at technical and management differences between proposers and decide if differences warrant price differential)
 - *Go/No-Go* (e.g., "If the product does not pass life test, the entire proposal is unacceptable")
 - *Indeterminate weights* (e.g., "The factors are listed in descending order of importance")



Developing the Ratings System (cont.)



■ How to Take Weightings into account

- ▼ Put the majority of your effort into the *key* items
- ▼ Determine the agency's cost/price strategy
- ▼ Put yourself in the position of the SSO:
Would you pick *your* company, given the tradeoffs specified in the RFP?
- ▼ If you can't meet the go-no criteria, NO BID
- ▼ If you aren't competitive, vis-a-vis the factors (and other proposers), NO BID



Developing the Scoring System

■ General Considerations

- ▼ Method must be rational and applied in good faith
- ▼ Method must compare proposals to contract requirements/criteria and against each other
- ▼ Score or ranking does not automatically determine selection if:
 - You're too expensive
 - You have a critical weakness



Developing the Scoring System (cont.)

■ Methods

▼ Adjectives

- Qualitative words (e.g., Superior, VG, Acceptable, Poor, Unacceptable)
- Color codes (e.g., Blue, Green, Yellow, Red)
- Symbols (e.g. +, 0, -)

▼ Numerical Scores (e.g., 0, .1, .2 to 1.0)

▼ Narratives- Supplements the rating or score

- Uses strengths and weaknesses
- Includes risks (to agency)



Developing the Scoring System (cont.)

- Methods (cont.)
 - ▼ Rankings (e.g., rank proposals in descending order without numerical scores)
- Why Scoring is Important to *you*
 - ▼ Once in a while RFP states that highest score gets the award
 - ▼ Agency can't select you if you are unacceptable in any significant area
 - ▼ If you don't score high enough, you may be eliminated from the competitive range
 - Don't assume you can get well later



Proposal Evaluation Example 1: Technical Instructions (NASA)



■ A. The Mission Suitability Proposal Should, As a Minimum, Include the Following:

▼ 1. Excellence of Proposed Design Approach

The offeror shall provide a detailed narrative of the overall proposed design concept approach demonstrating the merits of the proposed design concept including the analysis, testing, and manufacturing techniques proposed to develop the conceptual design into a finished product. This should include discussion on design innovations, cost trade-offs, safety and reliability, sequence of analysis, design activities, and methodologies used; identification of appropriate tools, tests, techniques, procedures and technologies to successfully manufacture, test, and fabricate the one-meter facility and to demonstrate compliance of the facility with the statement of work requirements.



Proposal Evaluation Example 1: Technical Instructions (NASA) (cont.)



■ A. The Mission Suitability Proposal Should, As a Minimum, Include the Following: (cont.)

▼ 2. Understanding the Requirement

To demonstrate the offeror's understanding of the requirement, a narrative should be submitted which elaborates on the technical comprehension of the diverse performance requirements, their implications and interrelationships, identification of subordinate requirements and methodologies that will be utilized, the identification of techniques to predict performance, error budgeting, and the identification of key technical issues, technology drivers and potential problem areas and proposed solutions.



Proposal Evaluation Example 2: Management Instructions (JPL)



■ Organization Plan

- ▼ Provide an organization chart (or charts) and sufficient supplemental narrative to fully describe the following:
 - A chart of the program management organization to be used to perform the proposed effort. Identify key technical and management personnel who will be assigned.
 - A chart showing the position of the program management organization within the overall company or corporate organization
 - The authority of the program manager to command and control the resources (e.g., personnel, finances, facilities) and subcontracts necessary for contract performance.



Proposal Evaluation Example 2: Management Instructions (JPL) (cont.)



- Organization Plan (cont.)

- The procedure to be followed by the program manager in obtaining decisions beyond the PM's authority in resolving conflicts for resources not under the PM's control.

- Program Control Plan

- Provide a program control plan. This plan should describe the procedure to be followed for monitoring and control of cost, performance and schedule. Describe in detail the system for reporting financial status and progress, both internally and to JPL. Identify the management level responsible for reviewing the financial status and program reports and taking corrective action as appropriate.



Proposal Evaluation Example 2: Management Instructions (JPL) (cont.)

- Program Control Plan (cont.)
 - Include a discussion of the plan for subcontractor management. In particular, discuss the methods by which the requirements will be implemented and technical, schedule and cost monitored.



Example 3: Related Experience



JPL and Other Factors Instruction (NASA)

- Relevant Experience and Past Performance and Other Considerations - Volume II (NASA)
 - ▼ The relevant experience and past performance and other considerations proposal should be formatted in two separate sections, one for relevant experience and past performance, and a separate one for other considerations. Volume II should parallel, to the maximum extent possible, the format of the relevant experience and past performance and other considerations criteria outlined in section M.1(B) of this solicitation. As a minimum, your proposal must include the following:



JPL



Example 3: Related Experience

and Other Factors Instruction (NASA)(cont.)

- ▼ Relevant experience and past performance
- ▼ A statement of background experience in activities similar or related to the requirements of this solicitation.
- ▼ A list of Government contracts for similar or related work in excess of \$500,000.00 received in the last three years, or currently in negotiation. For each entry, provide the contract number, the government agency placing the contract, the type of contract, a brief description of the work, the name of the contracting officer and contracting officer's technical representative, their addresses and telephone numbers.
- ▼ Identify and explain any terminations for default or terminations for the convenience of the government



Example 3: Related Experience



and Other Factors Instruction (NASA)(cont.)

■ Other Considerations

- ▼ If subcontractors are proposed, identify those that are small businesses, disadvantaged businesses, women-owned businesses, or located in hub-zones.
- ▼ Furnish your last three (3) years of certified financial statements.
- ▼ If applicable, identify your labor management history with specifics such as dates of organization attempts and results, lost days as absolute and percentages, etc. Provide data for the last three (3) years.



Interface with the Customer

■ Pre-proposal Conferences

- ▼ Purpose -- To provide additional information which proposers may need
- ▼ Content may include:
 - Question and Answer sessions
 - Job walk
 - Observation of on-going operations
 - Overview of the project, from the customer's perspective
- ▼ It's essential that you attend!
- ▼ **Note:** Keep in mind that the RFP takes precedence over anything presented at conference - (unless agency subsequently modifies RFP)



Interface with the Customer (cont.)

■ Addenda to the RFP

- ▼ Government can amend the RFP, or answer questions, by issuing addenda
- ▼ You must comply with the RFP as modified
- ▼ You *must* acknowledge receipt of each addendum on the appropriate form (or you may be non-responsive)
- ▼ Call the CO to verify whether addenda were issued which you haven't received

■ Asking Questions

- ▼ CO will receive questions from proposers
- ▼ If an answer is warranted, answer will be provided to *all* sources as an addendum



Interface with the Customer (cont.)

■ Asking Questions (cont.)

- ▼ If you're unsure of a requirement, send in a question
- ▼ Holding back on questions can only hurt you
 - You may guess wrong
 - CO generally can't answer after proposals received
 - Unasked questions on defective specs may render you responsible during contract performance
 - Unasked questions on restrictive specs may cause you to lose a bid protest
- ▼ Don't ask questions of anyone besides the CO
 - Answers aren't binding; only the RFP is
 - Answers may lead you down the wrong path



Proposal Evaluations-In General

- How the Evaluators Do Their Job
 - ▼ Review RFP requirements
 - ▼ Analyze company's approach vs. requirements
 - ▼ Generate strengths, weaknesses and questions against each factor
 - ▼ Consensus, as appropriate
 - ▼ Apply rating system to the data
- Evaluation Procedure Is Strictly Followed



Proposal Evaluations- Specific Techniques



- Example 1 - Technical Evaluation (NASA)
 - ▼ Sub-factor includes: “Evaluate the offeror's capability and methodology for deriving detailed design requirements and solutions to technical problems based on the SOW. . . .”
 - ▼ Instructions include: “A narrative should elaborate on the technical comprehension of the diverse performance requirements, their implications and interrelationships, identification of subordinate requirements and methodologies”



Proposal Evaluations- Specific Techniques (cont.)



■ Scoring Scheme:

- | | | | |
|---------|---------------|--------|----------------|
| ▼ Blue | = Exceptional | Yellow | = Marginal |
| ▼ Green | = Acceptable | Red | = Unacceptable |

- ▼ Company A Proposes: “We have proven our substantial systems engineering capabilities on the X and Y contracts. We will make full use of system engineering techniques to meet all of the agency's requirements.”
- ▼ Company B: “Figure 1 is a compliance matrix indicating our compliance with all of the performance requirements. Figure 2 indicates the derived subordinate requirements.”



Proposal Evaluations- Specific Techniques (cont.)



- Company C: “Figure 1 is supplemented by the following narrative, demonstrating which performance requirements are difficult to achieve. Engineering analysis is provided to show how we will accomplish the requirements. Figure 2 shows similar data in derived requirements (by analysis) down to the assembly (piece-part) level.”



Proposal Evaluations- Specific Techniques

- Example 2 - Management Evaluation (JPL)
 - ▼ Subfactor: Program Control Plan
 - ▼ Instructions: “Discuss the plan for subcontractor management. Discuss the methods by which the requirements will be implemented and technical, schedule and cost monitored.”
- Scoring Scheme
 - Superior = Minimal weaknesses
 - Very good = Strengths outweigh weaknesses
 - Acceptable = Adequate
 - Poor = Needs improvement
 - Unacceptable = Not discussed or not fixable



Proposal Evaluations- Specific Techniques (cont.)



- ▼Company A: “We'll perform a make-or-buy decision on 12 items. Depending on whom we subcontract to, we'll decide which of our 27 monitoring tools will be applied. We always do this well.”
- ▼Company B: “Our subcontractors will be identified within 60 days. For cost-type subcontracts, we will request NASA 533 data, a monthly progress report, and a quarterly status review at the subcontractor's facility.”
- ▼Company C: "Figure 1 lists our subs. Section 1 explains why each was selected. Section 2 includes schedules for the 7 major subs. The other 3 provide summary GANTT charts, which are included. Each company reports against these by weekly e-mail. . . for the non-fixed price subcontracts, we receive NASA 533 data monthly . . . etc.



Proposal Evaluations- Specific Techniques (cont.)



■ Example 3 - Related Experience Evaluation

- ▼ Factor includes: "Experience in the accomplishment of work which is comparable or related to this effort."
- ▼ Instructions include: "A list of Government contracts for similar or related work in excess of \$500K in the last 3 years."
- ▼ Scoring scheme: Go/No-Go
 - ▼ Company A: No-bid the RFP because it didn't have any such Government contracts.
 - ▼ Company B: "We have no Government contracts as specified. Our directly relevant experience comes from 3 Government subcontracts and 2 major commercial jobs, which are described in the following section."



Proposal Evaluations- Specific Techniques (cont.)



- Company C: Immediately after receiving the RFP, it sent a question to the CO asking if Government subcontract and commercial contract data could be used to demonstrate adequate related experience. (Addendum to the RFP revised the instructions to permit this.)



Proposal Evaluations- Specific Techniques (cont.)



■ Cost/Price Evaluation

- ▼ Review SF 1411 & cost or pricing data
- ▼ Obtain field support audit, if required (e.g., DCAA)
- ▼ Review individual elements of cost and proposed profit/fee
- ▼ Fixed price - Determine proposer's capability and understanding of job (no adjustment by agency)
- ▼ Cost-reimbursement - Determine the above and evaluate realism of proposed cost (agency will generate "probable cost" after discussions)
- ▼ May or may not be scored
- ▼ Generate cost questions for discussions



Award on Initial Proposals

- Government can buy your proposal “as is” - like it or not
- It's in your interest to submit a proposal that's competitive, yet one with which you can live
- CO can make award now if acceptance “as is” represents the lowest overall cost and is technically acceptable
- Rarely done for cost contracts (discussions required)
- This is becoming more popular
- **Read your RFP:** Agency can't award without discussions *unless* RFP so permits.



Competitive Range Determination

- Unless award is made on initial proposals, Government must conduct discussions with all proposers who are found to be in the “competitive range” (CR)
- If you don't make the CR, you've *lost*
- CR = Those proposers who have a reasonable chance of receiving the award
 - ▼ Not a predetermined number or score
 - ▼ Not those who are “acceptable” or higher
- Decision depends on all the facts - cost/price and RFP factors
- Rules are changing-elimination now more probable



Competitive Range Determination (cont.)

- Old Rule: If any doubt, include in CR
- New Rule: If a chance to win, but too many are better, drop from CR
- If proposer doesn't initially meet (and isn't expected after discussions to meet) a mandatory requirement, drop from CR
- Your proposal as submitted must be your best shot - or you may not stay in the competition!



Discussions



■ Why Do Agencies Hold Discussions?

- ▼ Verify/revise strengths and weaknesses
- ▼ Penetrate basis of estimate for proposed cost/price
- ▼ Assess proposed personnel face-to-face
- ▼ Verify adequacy of facilities and equipment
- ▼ Government only - allow opportunity to cure deficiencies
- ▼ Answer all questions that may impact source selection

■ Methods

- ▼ Written discussions
 - Respond to written questions
 - Or merely have an opportunity to submit revisions to your proposal



Discussions (cont.)

- ▼ Oral discussions
 - Respond to advance written questions
 - Respond to "real-time" oral questions
 - Observe facilities, equipment - if desired
 - Witness product test - if set forth in RFP
 - Assess personnel (by directing questions or splinter interviews)
- ▼ Negotiations may even be conducted!



Government Do's and Don'ts

■ Agency Must:

- ▼ Attempt to resolve uncertainties
- ▼ Point out suspected mistakes
- ▼ Disclose deficiencies (e.g., failure to meet minimum requirements)

■ Agency Is Prohibited From:

- ▼ Technical transfusion (giving your ideas to competitors, or vice-versa)
- ▼ Technical leveling (telling a proposer how to fix deficiencies)
- ▼ Auctioning (giving proposers a price to be met)
- ▼ Otherwise giving away data that would prejudice the competition



Proposer Do's and Don'ts

■ Be Prepared

- ▼ As soon as you submit proposal, look for areas of improvement
- ▼ Prepare written answers to advance questions
- ▼ Know your proposal!

■ Conduct Yourself Professionally

- ▼ Don't run down the competitors
- ▼ Answer the questions without hyperbole

■ Know the Ground Rules

- ▼ Agenda
- ▼ Time available for responses
- ▼ Methodology



Proposer Do's and Don'ts (cont.)

- Answer the Questions - Don't Conduct a Design Review
- Explain Planned Changes
- Track and Complete Action Items
- Decode Why a Question is Being Asked
- Examples: Questions for Discussions
 - ▼ "Your proposal is deficient in that you didn't describe who performs system engineering." (Leading)
 - ▼ "Provide a demonstration of your automated tool for requirements tracking."
 - ▼ Describe for us how performance requirements are handled."



Proposer Do's and Don'ts (cont.)

- ▼ “Why don't you put an engineer in residence at subcontractor D?” (Impermissible question)
- ▼ “Please explain the cost and schedule overrun problems you experienced on program X”
- ▼ Discuss your company's benefits package
- ▼ Discuss your company's cost accounting system
- ▼ Discuss your travel policy and process to receive airline tickets and travel advances
- ▼ Discuss your proposed bonus plan
- ▼ Discuss your timekeeping practices
- ▼ Discuss your personnel turnover and retention plan
- ▼ Provide a detailed breakdown of your overhead and G&A pools, to include: vacations, sick leave, holidays and how they relate to the pools



Importance of Oral Discussions

- Agency will get a better assessment of your knowledge and capabilities
- How you do in orals can be a good indicator of how well you will perform on the job



Best and Final Offers (BAFOs)

- CO Issues Request for BAFOs, including due date
- Agency May Limit What You Can Do, e.g., DoD Policy is as follows:
 - ▼ Any proposal changes must be fully substantiated, with traceability
 - ▼ No lump sum cost/price reductions w/o justification
- BAFOs Are Losing Favor - and Multiple BAFOs Will Be Rare
- Remember, a BAFO Is a Legal Offer that the Agency Can Accept as Is



Final Evaluations- The Process



- Agency/Prime Steps
 - Review/Revise Initial Strengths and Weaknesses
 - Determine which Deficiencies, if Any, Remain (or Are New in the BAFO!)
 - Provide Final Assessment to Source Selection Official
 - Present Proposed Price or Probable Cost
- Proposer Steps
 - Request a Debriefing
 - If the Agency violated the Source Selection process, consider filing a protest



Final Evaluations- Conclusions

- The Government wants a large pool of qualified SB/SDB/WOB proposers
- Take advantage of on-going workshops and other learning opportunities
- Follow these tips, and learn others, so *you* can be a strong contender



Additional Material Not Discussed

- The following slides contain material that, although not specifically covered in the workshop, should prove to be very useful. We ask that you read them at your earliest convenience.



Initial Evaluation of Proposals- How Does the Agency Evaluate?



- By Using Only the Factors in the RFP
 - ▼ Changes in factors require addendum to RFP and opportunity to respond
- By Using Only *Permissible* Information
 - ▼ Primarily relying on proposals
 - ▼ Obtaining reports from consultants, pre-award surveys, field pricing audits
 - ▼ Other data only if stated in RFP (e.g., reference checks, testing)
 - ▼ Government can't go beyond this to ensure you're capable
 - ▼ Government can't ignore deficiencies in proposal by referring to outside data
- You Must Furnish, in the Proposal, all the Data the Evaluators Need



Who Performs the Evaluations?

- Various Procedures are Used
 - ▼ Committees May Evaluate Different Areas (e.g., Past Performance Assessment Committee)
 - ▼ Entire Committee Need Not Read Every Proposal – OK to Divide Proposals Among People
 - ▼ BAFOs Can be Reviewed by a New Set of People
- You Need to Know How the Agency Will Perform the Evaluation
 - ▼ NASA SEBs
 - ▼ DOD 4-Steps
 - ▼ NASA SBIRs
 - ▼ Technology Announcements and Down-Selects
 - ▼ Other



Proposal Preparation Period- Initial Steps



- Read and Analyze the RFP (Govt. Uniform Contract Format)
 - ▼ Section C - Description/specs/SOW
 - Identify minimum, mandatory requirements (If you don't meet, you're non-responsive)
 - Identify requirements that are difficult to satisfy or where competitors are ahead of you
 - Identify areas which offer you a competitive advantage
 - Identify any requirements that unduly restrict competition
 - ▼ Section D - Deliveries or performance
 - Verify you can meet schedule
 - ▼ Section H - Special contract requirements
 - Ensure you meet these



Proposal Preparation Period- Initial Steps (cont.)



- ▼ Section H- Special Contract Requirements (cont.)
 - Ensure you include their impact in your cost/price proposal
- ▼ Section J - List of attachments
 - The real technical requirements are often in these exhibits!
- ▼ Section L - Instructions, conditions, notices to offerors
 - Compare the proposal instructions to the evaluation factors
(The combination equals the rules of the competition)
 - Determine if you can submit an alternate proposal
- ▼ Section M - Evaluation factors for award
 - Understand factors, subfactors, and relative importance
 - Determine relative importance of technical/management vs. cost/price
 - Understand the overall basis for contract award



Preparing the Proposal

- What is a proposal?
 - ▼ A legal offer - If accepted, you are legally bound to perform
 - ▼ A sales document - Demonstrates you meet the requirements and have the best solution to the RFP
- Format the Proposal to Match the Proposal Instructions
 - ▼ Include a Table of Contents
 - ▼ Put material in the volume/section specified (If evaluators can't find the data, you may be found non-responsive)
 - ▼ Comply with any page limitation (or evaluators won't read all the pages!)



Proposal Preparation Period- Initial Steps (cont.)



- Make Immediate Bid/No-Bid Decision
 - ▼ Consider your ability to perform the job successfully
 - ▼ Consider business risks vs. benefits
 - ▼ Assess Your competitive standing
- Consult Legal Counsel immediately if you identify Unduly Restrictive requirements
- Protests must be filed prior to due date for proposals



Proposal Preparation Period- Initial Steps (cont.)



- Establish a Proposal Team
 - ▼ Appoint a Proposal Lead
 - ▼ Use functional specialists for evaluating factors/compliance areas

- Establish a Proposal Schedule
 - ▼ Allow time for the following:
 - Graphics, printing, reproduction, shipment
 - Revision of cost/price proposal to reflect technical/management changes
 - Management/legal review



Follow-up Steps

- Improve your chances for winning the job
 - ▼ Obtain technical documents to enhance your understanding of the job
 - ▼ If the agency opens a "library" for proposers, use it
 - ▼ Find out what has and has not worked in the past
 - ▼ Generate a Compliance Matrix
 - ▼ List every requirement of the SOW and specs
 - ▼ Do you meet, exceed, or fail to meet each one?
 - If you don't meet, find a way to comply - or no-bid
 - If you exceed, determine if cost impact of exceeding is worth it
 - ▼ Carefully Review the Proposal Instructions



Follow-up Steps (cont.)

- Determine Your Proposal Strategy
 - ▼ Identify the customer's critical requirements and brainstorm possible cost-effective solutions
 - ▼ Create a proposal theme (why you should be selected)
 - “Highest reliability”
 - “Low life cycle cost”
 - “Innovative approach solves the power consumption problem”
 - “Leading experts in the country”



Follow-up Steps (cont.)

- Determine Your Proposal Strategy (cont.)
 - Compliance method: Repeat each requirement, explain how you meet it, and substantiate
 - Positioning method: Differentiate your product/service from others and show the differences are valuable
 - Storyboarding method: Outline a "story" with themes and selling points
 - Evaluation outlining method: Detailed topical outline based on factors, subfactors and instructions
- Determine your pricing strategy (e.g., set a target cost)
- Carefully review the proposal instructions



Preparing the Proposal (cont.)

- Format the Proposal to match the Proposal Instructions (cont.)
 - ▼ Execute all required representations and certifications (or you may be non-responsive)
 - ▼ Consider an executive summary
 - ▼ Respond to every instruction and every requirement
- Minimize Exceptions
- Be Consistent (Technical/Management/Cost)
- Be Credible - Support Your Positions
- Use a "Red Team" Review of the Proposal
- Submit Your Best Proposal *Now* - Don't Wait for Discussions (You May Not Get There!)



How to Lose the Competition (Partial List)



- Fail to Understand What the Customer Wants
- Misinterpret the Requirements
- Take Exception or Otherwise Fail to Comply with the Requirements
- Fail to Provide all Requested Information
- Fail to Substantiate Your Statements
- Put Data Where Evaluators Can't Find It
- Unrealistic Schedules, Pricing, or Technological Advances
- Deliver the Proposal Late!